Subsidiary Legislation made under s.13.

TGEU Implementation (VAT and Excise Cooperation, Anti-Fraud and Recovery Assistance Protocol) Regulations 2026

LN.2026/190

Commencement **15.7.2026**

ARRANGEMENT OF REGULATIONS

Regulation

In exercise of the powers conferred on the Government by section 13 of the Treaty on Gibraltar and European Union Act 2026, and all other enabling powers, and for the purposes of implementing the Protocol on Administrative Cooperation and Combating Fraud in the Field of Value Added Tax and Excise Duty and on Mutual Assistance for the Recovery of Claims relating to Taxes and Duties of the Agreement in respect of Gibraltar entered into between the European Union and the European Atomic Energy Community of the one part and the United Kingdom of Great Britain and Northern Ireland of the other part, and for connected purposes, the Government has made these Regulations-

Title.

1. These Regulations may be cited as the TGEU Implementation (VAT and Excise Cooperation, Anti-Fraud and Recovery Assistance Protocol) Regulations 2026.

Commencement.

2. These Regulations come into operation on the Implementation Date.

PART 1
GENERAL PROVISIONS

Interpretation.

3. In these Regulations, unless otherwise stated below, expressions used have the same meaning as the Treaty on Gibraltar and the European Union ("TGEU"), including in particular those in Part 6 (Arrangements on customs, indirect taxation and trade related issues) and corresponding Protocols-

"the Act" means the Treaty on Gibraltar and the European Union Act 2026;

"administrative authority" means an authority of a Member State, notified pursuant to Article PVAT.4(1) of the Protocol as the competent authority in that State for matters falling within the Protocol;

"administrative enquiry" means all the controls, checks and other action taken by an administrative authority or the Competent Authority in the performance of their duties with a view to ensuring the proper application of the VAT, transaction tax or excise duty legislation;

"Article" means a numbered Article of the Protocol;

"applicant authority" means the administrative authority of a Member State requesting assistance under the Protocol;

"by electronic means" means using electronic equipment for the processing (including digital compression) and storage of data, and employing wires, radio transmission, optical technologies or other electromagnetic means;

"Competent Authority" means the authority designated under regulation 5;

"customs duties" means the duty payable on goods entering or leaving the customs territory of each Party in accordance with the rules set out in their customs legislation;

“customs legislation” for Gibraltar and Member States, means any laws and regulations applying in the territory of either party concerning the importation, exportation, and transit or circulation of goods, and their placing under any customs regime or procedure, including measures of prohibitions, restrictions, and other similar controls respecting the movement of goods;

“excise duties” means those duties and charges defined as such under the domestic legislation of the Party in which the requesting authority is located;

“Member State” has the same meaning as in section 3(3) of the Act;

“operation in breach of excise duty legislation” means any violation or attempted violation of customs legislation to include tax legislation;

“Party” means Gibraltar or a Member State, as the context requires;

“Protocol” means the Protocol on Administrative Cooperation and Combating Fraud in the Field of Value Added Tax and Excise Duty and on Mutual Assistance for the Recovery of Claims relating to Taxes and Duties to the TGEU;

“request” means a request for assistance under the Protocol or these Regulations;

“requested authority” means the administrative authority receiving a request;

“spontaneous exchange” means the non-systematic communication, at any moment and without prior request, of information to Gibraltar or to any Member State;

“the Treaty on Gibraltar and the European Union” (or “TGEU”) has the meaning given by section 5 of the Treaty on Gibraltar and the European Union Act 2026;

"transaction tax" means the tax pursuant to the Act; and

"VAT" means value added tax pursuant to Council Directive 2006/112/EC74 on the common system of value added tax for the Union.

Scope of these Regulations.

4.(1) These Regulations implement the Protocol.

(2) In accordance with Article PVAT.2, these Regulations make provision for cooperation-

(a) to exchange any information that may assist to effect a correct assessment of VAT, excise duty and transaction tax, as applicable, monitor the correct application of such taxes and to combat fraud related to such taxes;

(b) in relation to the recovery of-

(i) claims relating to VAT, transaction tax, customs duties and excise duties, levied by or on behalf of a Party or its territorial or administrative subdivisions, excluding their local authorities;

(ii) administrative penalties, fines, fees and surcharges relating to the claims for which mutual assistance may be requested in accordance with subparagraph (i), which are-

(aa) imposed by the Competent Authority or administrative authorities that levy the taxes or duties concerned or carry out administrative enquiries with regard to them; or

(bb) confirmed by administrative or judicial bodies at the request of the Competent Authority or those administrative authorities,

and interest and costs relating to the claims for which mutual assistance may be requested in accordance with this subregulation.

Application of the Mutual Legal Assistance (European Union) Act 2005.

5. In respect of a request or matter under the Protocol-

(a) where these Regulations make provision for a request or matter of that kind, these Regulations apply;

(b) where these Regulations do not make provision for a request or matter of that kind, but the provisions of Part III of the Mutual Legal Assistance (European Union) Act 2005 do make provision for a request or matter of that kind, Part III of that Act applies with the necessary modifications; and

(c) where Part III of the Mutual Legal Assistance (European Union) Act 2005 does not make provision for a request or matter of that kind, but any other mutual legal assistance provision under Gibraltar law does make provision for the request or matter, those mutual legal assistance provisions under Gibraltar law may be applied with the necessary modifications.

Competent Authority.

6.(1) This regulation implements Article PVAT.4.

(2) HM Customs Gibraltar is designated as the Competent Authority for the purposes of these Regulations.

(3) The Competent Authority shall perform the functions assigned to it or the duties conferred upon it under these Regulations.

Use of languages.

7.(1) This regulation implements Article PVAT.5.

(2) The Competent Authority shall only accept requests under these Regulations that are in English.

(3) The requirement in subregulation (2) does not apply to any accompanying documents to the request.

(4) The Competent Authority must ensure that any request to a requested authority is in the official language of that authority, or in a language acceptable to that authority.

Confidentiality and use of information.

8.(1) This regulation implements Article PVAT.6.

(2) Any information obtained by the Competent Authority from a requested authority under these Regulations shall be treated as confidential and used solely for the purpose of the Protocol.

(3) Any information transmitted by the Competent Authority to an applicant authority shall be subject to confidentiality, and shall enjoy the same protection as information obtained under the laws of the applicant authority.

(4) Information received by the Competent Authority under these Regulations may be disclosed only to-

(a) officers of the Competent Authority;

(b) other competent authorities;

(c) courts, tribunals or administrative authorities; or

(d) any other person or authority,

to the extent that such disclosure is necessary for the assessment, collection, administration, enforcement or recovery of excise duties, transaction tax, customs duties, or for precautionary measures relating to claims referred to in regulation 4(2)(b).

(5) Persons or authorities to whom information is disclosed under subregulation (4) may use the information only for the purposes specified in that subregulation and shall be subject to the same duty of confidentiality.

(6) Information received pursuant to the Protocol shall not be disclosed or used for any purpose other than those specified in subregulation (4) unless the prior written consent of the authority that supplied the information has been obtained and any conditions attached to that consent are complied with.

(7) Any reports, statements and other documents, or certified copies or extracts thereof, obtained pursuant to the Protocol may be produced, admitted and relied upon in any judicial, administrative or other proceedings in Gibraltar to the same extent and subject to the same conditions as equivalent documents obtained from the Competent Authority or other authority in Gibraltar.

(8) Personal data may be transmitted as part of the execution of a request from an applicant authority only in accordance with the data protection legislation.

(9) For the purposes of this regulation, "the data protection legislation" has the meaning given in section 2 of the Data Protection Act 2004.

Exchange of information and administrative enquiries.

9.(1) This regulation implements Article PVAT.7.

(2) Where the Competent Authority receives a request from an applicant authority, it shall transmit all relevant information referred to in subregulation 4(2)(a), including any information relating to a specific case or cases.

(3) For the purpose of complying with subregulation (2), the Competent Authority shall undertake or cause to be undertaken, such administrative enquiries as appear necessary to obtain the requested information.

(4) The Competent Authority may consult with the applicant authority regarding the scope and necessity of any administrative enquiries to be undertaken.

(5) Upon completion of the administrative enquiries carried out in accordance with subregulation (3), the Competent Authority shall communicate to the applicant authority the information obtained, and copies of any reports, statements, certified copies and any other document relevant to the request.

(6) The Competent Authority may send a request pursuant to Article PVAT.7 to a requested authority.

Assistance on excise duty requests.

10.(1) This regulation implements Article PVAT.8.

(2) Where the Competent Authority receives a request from an applicant authority pursuant to Article PVAT.8, it shall take the necessary steps in accordance with these Regulations and any other applicable provisions as are necessary to obtain and provide the information requested.

(3) Without prejudice to the generality of subregulation (2) and subject to subregulation (5), the Competent Authority shall undertake, or cause to be undertaken such special surveillance activities as appear necessary for obtaining information concerning-

(a) persons in respect of whom there are reasonable grounds for believing that they are or have been involved in operations in breach of excise duty legislation;

(b) goods that are being or may be transported in such a way that there are reasonable grounds for believing that the goods have been or are intended to be used in operations in breach of excise duty legislation;

(c) places where stocks of goods have been or may be stored or assembled in such a way that there are reasonable grounds for believing that the goods have been or are intended to be used in operations in breach of excise duty legislation;

(d) means of transport that are or may be used in such a way that there are reasonable grounds for believing that it is intended to be used in operations in breach of excise duty legislation;

(e) premises suspected by the applicant authority of being used for the commission of a breach of excise duty legislation;

(f) movement of goods; and

(g) any other relevant information concerning an economic operator or a tax warehouse that may be involved in operations in breach of excise duty legislation.

(4) The Competent Authority shall communicate to the applicant authority any information obtained pursuant to subregulation (2).

(5) For the purposes of this regulation, the Competent Authority may undertake or cause to be undertaken any special surveillance of any person, goods, place, means of transport, premises or activity referred to in subregulation (3), insofar as such surveillance is authorised under the laws of Gibraltar.

(6) The Competent Authority may send a request to a requested authority pursuant to Article PVAT.8.

Time limit for providing information.

11.(1) This regulation implements Article PVAT.9.

(2) The Competent Authority shall provide the information referred to in regulation 9 as soon as possible, and in any event, no later than 90 days after the date on which the request is received.

(3) Where the Competent Authority is already in possession of the requested information, the information shall be provided as soon as possible, and in any event, no later than 30 days after the date on which the request is received.

(4) If the Competent Authority considers that it will not be possible to comply with the time limits specified in subregulations (2) or (3), the Competent Authority shall-

(a) inform the applicant authority in writing of the reasons for the delay; and

(b) indicate the date by which a response is expected to be provided.

Spontaneous exchange of information.

12.(1) This regulation implements Article PVAT.10.

(2) The Competent Authority shall, without prior request, provide to an administrative authority any information that appears to the Competent Authority to be relevant for the correct application or enforcement of legislation relating to VAT, excise duties or transaction tax.

(3) Without prejudice to the generality of subregulation (2), information may be provided where it appears to the Competent Authority that-

(a) liability to tax arises in a Member State;

(b) a breach of legislation relating to VAT, excise duty or transaction tax legislation has been committed or is likely to have been committed in a Member State; or

(c) there is a risk of loss of tax revenue in a Member State.

(4) The Competent Authority may provide any information or other material that it considers relevant for the purposes specified in subregulation (2).

(5) Information disclosed under this regulation shall be disclosed subject to any applicable requirements notified by the Competent Authority to the administrative authority.

Administrative notification.

13.(1) This regulation implements Article PVAT.11.

(2) Where the Competent Authority receives a request from an applicant authority pursuant to Article PVAT.11 for the notification or delivery of a document or decision falling within

the scope of this Article, the Competent Authority shall take such steps as are permitted under Gibraltar law to effect the notification or delivery to the addressee in Gibraltar.

(3) A request under subregulation (2) shall-

(a) be made in writing;

(b) include the name and address of the person;

(c) the subject of the decision or instrument; and

(d) such other information as may be necessary to effect notification.

(4) The Competent Authority shall inform the applicant authority immediately of the response after taking action pursuant to a request under subregulation (2), and in particular -

(a) whether notification or delivery was effected; and

(b) where notification or delivery was effected, the date on which it was effected.

(5) Where notification or delivery cannot be effected, the Competent Authority shall inform the applicant authority of the reasons.

Presence in administrative offices and participation in administrative enquiries.

14.(1) This regulation implements Article PVAT.12.

(2) The Competent Authority may by agreement with an applicant authority, permit officials of the applicant authority authorised to be present-

(a) in the offices of the Competent Authority;

(b) at any other place where officers of the Competent Authority carry out their duties; or

(c) during administrative enquiries conducted in Gibraltar,

for the purpose of facilitating the collection or exchange of information as referred to in regulation 4(2)(a).

(3) Where officials of an applicant authority are present during an administrative enquiry, the enquiry shall be conducted exclusively by the officers of the Competent Authority, and the officials of the applicant authority shall not exercise any power conferred by Gibraltar law on officers of the Competent Authority.

(4) The Competent Authority may, by agreement with the applicant authority and subject to such conditions as the Competent Authority considers appropriate, permit officials authorised by the applicant authority to participate in administrative enquiries conducted in Gibraltar for the purpose of collecting or exchanging information under these Regulations.

(5) An administrative enquiry conducted pursuant to subregulation (4) shall be carried out jointly by officers of the Competent Authority and the authorised officials of the applicant authority.

(6) Any enquiry conducted pursuant to subregulation (4) shall be carried out under the direction of the Competent Authority and in accordance with Gibraltar law.

(7) For the purposes of this regulation, "authorised" means in relation to an official, a person whose authority to act on behalf of the applicant authority has been notified to and accepted by the Competent Authority.

Conditions governing the exchange of information.

15.(1) This regulation implements Article PVAT.13.

(2) The Competent Authority shall provide the applicant authority with the information on matters referred to in regulation 4(2)(a) or to carry out an administrative notification referred to in regulation 13 where-

(a) compliance with the request would not impose a disproportionate administrative burden having regard to the number, nature and scope of requests made by the applicant authority; and

(b) the applicant authority has confirmed that it has exhausted the usual sources of information available to it in its own jurisdiction.

(3) Nothing in these Regulations shall require the Competent Authority-

(a) to carry out enquiries; or

(b) to provide information in relation to a particular case, where the laws of Gibraltar do not permit the Competent Authority to carry out such enquiries or to obtain, hold or use such information for the purposes of the administration or enforcement of Gibraltar laws concerning the matters referred to in regulation 4.

Grounds of refusal.

16.(1) This regulation implements Article PVAT.13 (3) to (6).

(2) The Competent Authority may refuse to provide information under these Regulations where the applicant authority would be unable, for legal reasons, to provide similar information to Gibraltar.

(3) The Competent Authority may refuse to provide information under these Regulations where it would lead to the disclosure of-

(a) a commercial, industrial or professional secret;

(b) a commercial process; or

(c) information the disclosure of which would be contrary to public policy.

(4) The Competent Authority must not refuse to provide information under these Regulations solely because the information-

(a) is held by a bank or other financial institution;

(b) is held by a nominee or by a person acting in an agency capacity or under a fiduciary relationship; or

(c) relates to ownership, participation or beneficial interests in a legal person.

(5) Where the Competent Authority refuses, in whole or in part, a request the Competent Authority shall notify the applicant authority in writing of the refusal, and the grounds for the refusal.

Forms of communication.

17.(1) This regulation implements Article PVAT.14.

(2) Requests under these Regulations shall be made in writing, and may be transmitted by electronic means.

(3) Requests shall include, as far as possible-

(a) the identity and details of the applicant authority;

(b) the identity and details of the official making the request;

(c) the nature of the assistance requested;

(d) the purpose of, and reasons for, the request;

(e) the particulars of the legal provisions relevant to the request;

(f) such information as is available to identify the goods, persons or transactions to which the request relates;

(g) a summary of the relevant facts and of any enquiries and investigations already carried out by the applicant authority; and

(h) any other information available to the applicant authority that may assist the Competent Authority in complying with the request.

(4) Where the Competent Authority considers that a request does not contain sufficient information to enable it to be acted upon, the Competent Authority may require the applicant authority to provide such further information, clarification or supporting material as the Competent Authority considers necessary.

(5) Where a request is incomplete or otherwise does not comply with subregulations (2) or (3), the Competent Authority may require the applicant authority to correct or complete the request before considering it.

(6) Pending the correction or completion of a request by the applicant authority, the Competent Authority may take such precautionary or protective measures as the Competent Authority considers appropriate in the circumstances.

Request for information.

18.(1) This regulation implements Article PVAT.15.

(2) Where a request is received by the Competent Authority from an applicant authority pursuant to Article PVAT.15, the Competent Authority shall obtain and provide any information that is relevant to the identification of-

(a) a debtor; or

(b) assets located in Gibraltar,

and which is necessary for the recovery of claims to which the Protocol applies.

(3) For the purposes of complying with a request under subregulation (2), the Competent Authority may exercise any power available to it under Gibraltar law to obtain information and may conduct, or arrange for the conduct of, such administrative enquiries as it considers necessary, as if the matter concerned the recovery of a domestic claim.

(4) The Competent Authority may refuse to provide assistance under this regulation where-

(a) the information requested cannot be obtained by the Competent Authority for the purposes of a domestic claim;

(b) the information would disclose a professional, trade, business or commercial secret; or

(c) the disclosure of the information would be contrary to public policy or would prejudice the security of Gibraltar.

(5) A request shall not be refused by the Competent Authority solely on the ground that the information is held by—

(a) a bank or a financial institution; or

(b) a person acting as a nominee, agent, trustee, or representative on behalf of another person.

(6) Where the Competent Authority refuses, in whole or in part, to provide assistance under this regulation, it shall notify the applicant authority in writing, stating the grounds for the refusal.

Presence in administrative offices and participation in administrative enquiries.

19.(1) This regulation implements Article PVAT.16.

(2) Subject to the prior agreement of the Competent Authority, an official authorised by an applicant authority may-

(a) be present in the offices of the Competent Authority; or

(b) take part in administrative enquiries,

for the purposes of a request relating to the recovery of a claim to which the Protocol applies.

(3) Any participation by an authorised official of an applicant authority under subregulation (2) shall be-

(a) subject to the supervision and direction of the Competent Authority;

(b) in accordance with provisions of Gibraltar law and any administrative procedures applicable in Gibraltar; and

(c) subject to any conditions imposed by the Competent Authority.

(4) An authorised official of an applicant authority shall not exercise any enforcement powers on their own.

(5) Where permitted by Gibraltar law, the Competent Authority may authorise an official referred to in subregulation (2) to—

(a) examine files relevant to the case in question;

(b) attend and assist during interviews conducted by the Competent Authority; and

(c) attend and assist in hearings or court proceedings relating to the case in question.

(6) An official of an applicant authority exercising any function under this subregulation shall-

(a) carry the written authorisation issued by the applicant authority confirming the official's identity, position and authority to act;

(b) produce that authorisation upon request by the Competent Authority or any person concerned;

(c) comply with all applicable laws and procedures; and

(d) be subject to the same duty of confidentiality as applies to officials of the Competent Authority.

(7) Any information obtained by an official of an applicant authority pursuant to this regulation shall be treated and used in accordance with the confidentiality and information-use provisions in these Regulations and in the Protocol.

(8) Pursuant to Article PVAT.17, with the agreement of the requested authority, officials authorised by the Competent Authority may be present in the offices of the requested authority or take part in administrative enquiries related to cases in Gibraltar.

Request for notification of certain documents relating to claims.

20.(1) This regulation implements Article PVAT.17.

(2) Where an applicant authority makes a request under Article PVAT.17, the Competent Authority may notify any person in Gibraltar of any instrument, decision or other documents falling within the scope of the Protocol, including a judicial instrument, decision or document relating to-

(a) value added tax;

(b) excise duty;

(c) transaction tax;

(d) customs duties; or

(e) the recovery of claims relating to any matter referred to in paragraphs (a) to (d).

(3) A request under subregulation (2) shall be made in writing, including by electronic means, and shall contain-

(a) the name of the applicant authority and the contact details of the office responsible for the request;

(b) the name and address of the addressee, and any other information relevant to the identification of the addressee;

(c) the nature and subject matter of the instrument, decision or document to be notified; and

(d) a brief description of the claim to which the request relates, including the amount of the claim, where applicable.

(4) Upon receipt of a request which complies with subregulation (3), the Competent Authority shall take such necessary steps to effect notification of the instrument, decision or document in accordance with Gibraltar law.

(5) Where notification has been effected, the Competent Authority shall promptly inform the applicant authority in writing of-

(a) the date on which notification was effected; and

(b) the manner in which notification was effected.

(6) Where the Competent Authority is unable to effect notification, it shall promptly inform the applicant authority in writing-

(a) that notification could not be effected; and

(b) of the reasons why notification could not be effected.

(7) Pursuant to Article PVAT.17, the Competent Authority may send a request to a Member State.

Request for recovery.

21.(1) This regulation implements Article PVAT.18.

(2) Where an applicant authority requests assistance under the Protocol for the recovery of a claim, the Competent Authority shall pursuant to Article PVAT.18 take the measures necessary to recover the claim as if it were a claim arising under Gibraltar law.

(3) A request for recovery may be accepted only where the claim is the subject of an instrument permitting its enforcement in the territory of the applicant authority and is accompanied by such information and documentation as may be required by the Competent Authority.

(4) Upon acceptance of a request by the Competent Authority, the claim shall be recoverable in Gibraltar in accordance with the laws applicable to the recovery of equivalent domestic claims.

(5) Where the applicant authority has knowledge of any information relevant to the matter which gave rise to the request, it shall inform the Competent Authority.

(6) The Competent Authority may require the applicant authority to provide such further information or documentation as is reasonably necessary for the execution of a request under this Regulation.

(7) Pursuant to Article PVAT.18, the Competent Authority may send a request to a Member State.

Conditions governing a request for recovery.

22.(1) This regulation implements Article PVAT.19.

(2) The Competent Authority shall not accept or act upon a request under Article PVAT.18 where, and as long as-

(a) the claim to which the request relates; or

(b) the instrument permitting enforcement of that claim in the territory of the applicant authority,

is the subject of a defence, appeal, or other legal challenge in the territory of the applicant authority.

(3) A request under Article PVAT.18 shall only be accepted where the Competent Authority is satisfied that the applicant authority has taken reasonable and appropriate steps to recover the claim by means of the recovery procedures available under the laws of its own territory.

(4) Subregulation (3) shall not apply where the applicant authority can show that-

(a) the debtor has no assets available for recovery in the territory of the applicant authority or that the recovery procedures in that territory are unlikely to result in payment of a substantial part of the claim, and the applicant authority possesses specific information indicating that the debtor holds assets in Gibraltar, or

(b) recourse to the recovery procedures available in the territory of the applicant authority would give rise to disproportionate difficulty.

(5) Where the Competent Authority becomes aware that a claim, or the instrument permitting its enforcement, has become contested after a request has been made, the Competent Authority may suspend recovery action pending notification from the applicant authority that the claim has been finally determined or otherwise resolved.

(6) The Competent Authority may require the applicant authority to provide such information or evidence as it considers necessary to establish compliance with this regulation.

Execution of the request for recovery.

23.(1) This regulation implements Article PVAT.20.

(2) Where the Competent Authority accepts a request under Article PVAT.18, it shall recover the claim as if it were a claim arising under Gibraltar law and may exercise all powers, rights and remedies available under the laws applicable to the recovery of a domestic claim.

(3) The Competent Authority shall keep the applicant authority informed of the steps taken in connection with the recovery of the claim and shall provide information regarding the progress of recovery proceedings and the amounts recovered.

(4) In recovering a claim pursuant to Article PVAT.18, the Competent Authority may, to the extent permitted by Gibraltar law-

(a) grant the debtor time to pay;

(b) permit payment by instalments; or

(c) otherwise agree arrangements for the discharge of the claim.

(5) Any interest or legal costs arising under Gibraltar law in connection with the recovery of the claim may be charged and recovered by the Competent Authority and may be retained by the Competent Authority.

(6) Subject to subregulation (5), the Competent Authority shall transfer to the applicant authority promptly after deduction of any costs or charges which the Competent Authority could not recover in accordance with Article PVAT.26(2).

Disputed claims and enforcement measures.

24.(1) This regulation implements Article PVAT.21.

(2) Any dispute concerning the existence, validity or amount of a claim shall be determined exclusively by the applicant authority.

(3) Any dispute concerning recovery measures, enforcement action or precautionary measures taken by the Competent Authority pursuant to these Regulations shall be determined in accordance with Gibraltar law by the court, tribunal or other body having jurisdiction in relation to such measures.

(4) Where the Competent Authority is informed that a claim, or an instrument permitting its enforcement, is contested in the territory of the applicant authority, the Competent Authority shall suspend recovery proceedings in respect of the disputed part of the claim until the dispute has been finally determined.

(5) Notwithstanding subregulation (4), where the applicant authority so requests-

(a) recovery proceedings may be continued in relation to the disputed claim; or

(b) precautionary measures may be applied for to secure recovery of the claim,

to the extent and in the manner permitted under Gibraltar law.

(6) Where a recovery action is continued under subregulation (5)(a) and the claim or any part of it is subsequently set aside or varied, the applicant authority shall be liable for-

(a) any amount unduly recovered;

(b) any interest paid in respect of that amount;

(c) any compensation payable to the debtor under Gibraltar law; and

(d) any costs incurred by the Competent Authority arising directly from the continued recovery of the disputed claim.

(7) Prior to receiving a request under subregulation (5) from an applicant authority, the Competent Authority may take such precautionary measures as are available under Gibraltar law to secure any claim forming part of a request where the Competent Authority considers that there is a risk that recovery of a claim may be jeopardised –

(a) by fraud, concealment or dissipation of assets, insolvency; or

(b) by any other circumstance,

likely to prevent effective recovery of a claim.

Amendment or withdrawal of the request for recovery assistance.

25.(1) This regulation implements Article PVAT.22.

(2) Where the Competent Authority makes a request to which Article PVAT.22 applies, it shall notify the requested authority immediately of -

(a) any subsequent amendment to the request; or

(b) the withdrawal of its request.

(3) In the notification referred to in subregulation (2), the Competent Authority shall include the reasons for the amendment or withdrawal of the request.

Request for precautionary measures.

26.(1) This regulation implements Article PVAT.23.

(2) Where an applicant authority makes a request to the Competent Authority for the taking of precautionary measures in relation to a claim to which the Protocol applies, the Competent Authority may, subject to Gibraltar law, apply for such precautionary measures as are available under the laws to secure recovery of the claim or the instrument permitting enforcement.

(3) An application for precautionary measures may be made where-

(a) the claim or the instrument permitting its enforcement in the territory of the applicant authority is contested at the time the request is made; or

(b) the claim is not yet the subject of an instrument permitting enforcement in the territory of the applicant authority,

provided that precautionary measures would be available in a comparable situation under the domestic laws of the applicant authority.

(4) An application for precautionary measures shall be accompanied by-

(a) any document issued in the territory of the applicant authority authorising or permitting precautionary measures in respect of the claim; and

(b) such information as may be necessary to identify the debtor, the claim and any assets against which precautionary measures are sought.

(5) A document referred to in subregulation (4)(a) shall be accepted for the purposes of this regulation without any requirement for any act of recognition, supplementing or replacement in Gibraltar.

(6) An application for precautionary measures may be accompanied by such other documents relating to the claim as the Competent Authority considers relevant, where the Competent Authority sends a request to a requested authority pursuant to Article PVAT. 23.

Limits to the Competent Authority's obligation.

27.(1) This regulation implements Article PVAT.24.

(2) The Competent Authority may refuse to provide, or may limit, assistance under these Regulations where it is satisfied that-

(a) the provision of the assistance would be likely to cause serious economic or social hardship in Gibraltar;

(b) the administrative burden, effort or cost involved in providing the assistance would be clearly disproportionate to the amount of the claim sought to be recovered; or

(c) the claim became due more than five years before the date on which the request was made, calculated from the date on which the claim first became payable in the territory of the applicant authority.

(3) Notwithstanding subregulation (2)(c), the Competent Authority may provide assistance in relation to a claim that became due more than five years before the date of the request where-

(a) the claim became due not more than ten years before that date; and

(b) recovery of the claim remains legally enforceable and capable of being pursued under the laws of the territory of the applicant authority.

(4) No request for recovery of a claim shall be accepted where the total amount of the claim to which the request relates is less than five thousand pounds (£5,000).

(5) Where the Competent Authority refuses a request, or limits the assistance to be provided, it shall notify the applicant authority in writing and set out the reasons for the refusal or limitation of the request.

Questions on limitation.

28.(1) This regulation implements Article PVAT.25.

(2) The limitation periods applicable to a claim or its recovery shall be those provided by the law of the territory of the applicant authority.

(3) For the purposes of a request for recovery or precautionary measures pursuant to this Protocol, the limitation period applicable to the claim shall be suspended from the date on which the request is received by the Competent Authority until the date on which the Competent Authority has executed, withdrawn, terminated or otherwise completed the action on the request.

Costs.

29.(1) This regulation implements Article PVAT.26.

(2) Each Party shall bear its own costs incurred in providing assistance under the Protocol and shall not be entitled to seek reimbursement from the other Party.

(3) Subregulation (2) does not prevent the Competent Authority from recovering directly from the debtor in accordance with Gibraltar law, any costs charges, fees, expenses or other losses arising from the recovery of a claim.

(4) Where a request is unfounded and the Competent Authority incurs costs, expenses, losses or liabilities as a result of acting upon that request, the Competent Authority may seek the reimbursement of those costs, expenses, losses or liabilities from the applicant authority.

(5) Where the execution of a request is likely to involve exceptional, extraordinary or unusually high costs, the Competent Authority and the applicant authority may agree, in writing, special arrangements concerning the allocation or reimbursement of those costs.